Mission Statement:

The mission of the City Attorney's Office is to deliver high quality, cost-effective legal services that are responsive to the City's adopted policies, goals, and objectives; to assist the City in managing its financial exposure to claims brought against the City; and to promote public safety by aggressively prosecuting all gross misdemeanor, misdemeanor and petty misdemeanor crimes that occur in the City.

Primary Businesses:

Prosecute livability and other crimes that occur in the City so that crime is reduced and the residents' feeling of safety within our community is increased

Provide a broad range of high quality, cost-effective legal services to the City's elected officials, departments, and independent boards and commissions so that the City's policy objectives are achieved and the City's liability exposure is minimized

Key Trends and Challenges Impacting the Department:

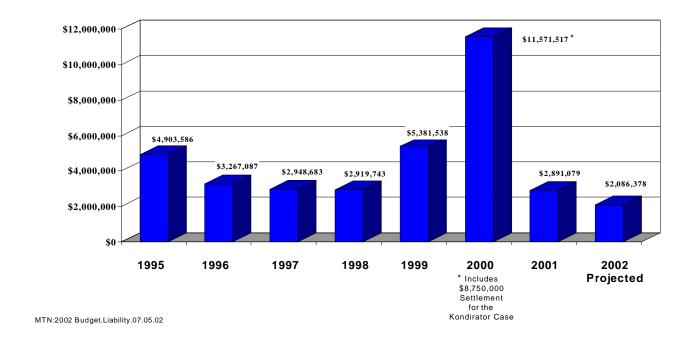
TRENDS:

The Civil Division caseload continues at approximately the same level as during the last two years. This "flattening" of caseload allows our Office to direct more attention to a preventive law practice. Attorneys are housed in the Human Resources, Police, Fire, Regulatory Services departments, and the Minneapolis Community Development Agency so that legal services are delivered more quickly and more effectively.

The City's total liability payments are projected to be \$2,086,378 in 2002. This would be the lowest total amount paid since 1995 and nearly \$3 million less than the \$4,903,586 paid in 1995. Police misconduct cases - one of the Office's key liability indicators - continues a downward trend both in the number of cases filed and the average amount of settlements. For example, the number of new cases filed has declined from 69 in 1998 to 24 in 2001. Thus far this year, 11 cases have been filed. Settlement data confirms this trend. In 1998, the total amount of settlements for police misconduct was \$1,250,000. In 2001, it was \$436,996. Thus far in 2002, there have been three settlements for a total amount of \$75,606 or an average of \$25,202 per settlement. This is the lowest average settlement amount since our Office started tracking this information in 1997.

The City Attorney's Office continues to enhance public safety in the City through its three-pronged strategy: (1) aggressive prosecution of livability crime, (2) proactive involvement in improving the criminal justice system, and (3) active collaboration with neighborhoods on community justice. The Criminal Division caseload continues to decline. The projected caseload for CY 2002 is 42,806. In contrast, the Office handled 44,970 cases in CY 2001; 51,808 cases in CY 2000; 55,027 cases in CY 1999. Despite this projected decline, the criminal caseload continues to be extremely heavy for the authorized complement. An annual caseload of 42,806 cases is still more than three times the American Bar Association and State Public Defender standards for misdemeanor cases and more than five times the standard for gross misdemeanor cases.

Minneapolis City Attorney's Office Total Liability Payment



CHALLENGES:

The City Attorney's Office faces five major organizational and budgetary challenges over the next few years. They are: 1) purchasing and installing effective technological systems in the Office, 2) dedicating stable sources of funding to support adequate staffing in the Criminal Division, 3) redesigning the Office's managerial and supervisory structure so that the Office's "span of control" problem is addressed, 4) implementing cost effective ways to meet our obligations to victims of crime, and 5) addressing the Office's lease. Although all of these challenges may not be met and resolved in this budget cycle, it is important that steps be taken to address each issue.

CHALLENGE 1: Purchasing and Installing Effective Technological Systems in the Office

The case management system in the Criminal Division is inadequate. Because the Division prosecutes a high volume of cases, the lack of an effective system impairs the Division's ability to effectively manage the caseload and the human resources in the Division. Further, the community expects access to information about active cases. Citizen access to this information is important for individual feelings of safety and for the public to have confidence in its criminal justice system. A fully functioning case management system which would produce accessible information should result in our citizens being more willing to report crime, testify as witnesses, and be more active in their neighborhoods. Finally, without an adequate prosecution case management system, the City will not be able to connect to CriMNet, the state-wide integrated criminal justice system, that currently is being developed.

The Office responded to this challenge by undertaking an extensive Request for Proposal (RFP) process in 2000, utilizing Office personnel, staff from ITS, and a representative from the Hennepin County Attorney's Office who was extensively involved with CriMNet. Of the many proposals received, only two met ITS' technology requirements. Using the RFP responses, staff from the City Attorney's Office and ITS prepared a cost estimate for total system implementation, including ITS costs, and determined it could be as high as \$1.5 million (in 2000).

dollars). The Office has sought funding through the budget process and through SISP. These efforts have not been successful. In addition, the Office applied to the federal government for a grant to purchase a new prosecution case management system. That application was denied. Most recently, the Office has been working with ITS and Hennepin County to secure funding through CriMNet. ITS has estimated that the analysis phase of designing a new case management system is \$233,500. It is hoped that funding for this analysis can be obtained through a CriMNet grant. Even if such a grant is received, the City will still need to make a significant financial commitment in the near term in order to ensure that this Office has an effective prosecution case management system.

In addition, it is likely that the current CityLaw system, which is utilized by the Civil Division, will need to be upgraded in the near future. It was last upgraded after Y2K since the system was not Y2K compliant. If a prosecution case management system is designed and installed in the Criminal Division, it may be cost effective to design a system that also could be used in the Office's Civil Division.

CHALLENGE 2: Dedicating Stable Sources of Funding to Support Adequate Staffing in the Criminal Division

Since 1997, federal block grants have been used to fund a number of positions in the Office's Criminal Division so that the Office could aggressively prosecute livability offenses in the City. Although the City has appropriately capitalized on the availability of federal block grant dollars to fund Criminal Division positions, federal block grant dollars are not a reliable long term source of funding because the amount of federal block grant dollars available to the City is declining. The formula for awarding federal block grant dollars is based on the Part 1 crime rate, which has decreased in recent years. Accordingly, the amount the City receives through the federal block grant also has decreased. Currently, there are 7 positions in the Criminal Division that are funded through federal block grant dollars. The CY 2002 cost for these positions is \$375,416. The projected allocation of this year's federal block grant to the City Attorney's Office is \$325,000. This is the same amount as was allocated last year. Consequently, there is a projected \$50,416 shortfall (in 2002 dollars) for CY 2003. Further, if the amount of the federal block grant continues to decline, another source of funding will need to be found or positions will need to be eliminated. Elimination of these positions would further exacerbate the staffing problems in the Criminal Division.

CHALLENGE 3: Redesigning the Office's Managerial and Supervisory Structure so that the Office's "Span of Control" Problem is Addressed

Effective organizational management dictates that each manager and supervisor have a reasonable number of direct reports to supervise. This principle is sometimes referred to as "span of control". Organizational management experts suggest that the effective "span of control" ranges for direct reports from 5 to 12. In determining the appropriate number, factors that should be considered include whether the work being performed is routine or complex, the qualifications and experience of the staff, and the motivations of the employees. The current "span of control" in the City Attorney's Office is as follows:

City Attorney	5
Deputy City Attorney, Civil	35
Deputy City Attorney, Criminal	20
Managing Attorney, Criminal	28
Program Assistant	10
Program Assistant	6
Clerical Supervisor	5

Although the "span of control" for the clerical positions in the office is adequate, there is a serious "span of control" problem for the attorney, paralegal and investigator positions in both the Criminal and Civil divisions.

The Office attempted to address this problem in the 1998 budget process. This resulted in the creation of two Managing Attorney positions in the Criminal Division. No Managing Attorney positions were created for the Civil Division. Even though one of these positions was eliminated in February 2002 budget discussions, the structure of two managing attorney positions did not prove to be sufficiently effective to address the "span of control" problem in the Criminal Division. The City Attorney's Office currently is participating in Workforce Planning.

City of Minneapolis – City Attorney

Resolution of the "span of control" issue has been identified as a priority. It is expected that a proposed solution for the problem will be one of the outcomes of Workforce Planning. The final report and action plan should be completed by Fall, 2002.

CHALLENGE 4: Implementing Cost Effective Ways to Meet our Obligations to Victims of Crime

For many years, the City Attorney's Office has provided crime victim/witness liaison services, including those services required by the Minnesota Victim's Rights Law. In recent years, the City has contracted with the Council on Crime and Justice (CCJ) to provide these services. The current contract is in effect from January 1, 2002 through December 31, 2004. The three-year cost to the City under this contract is \$862,604. This contract replaced an earlier three-year contract, which had a total cost of \$683,912. This represented an increase of \$178,692 - a 26% increase. When the current contract with CCJ expires, it is likely that the cost to continue providing these services will increase.

Before the contract was awarded to the Council on Crime and Justice in 2001, the City Attorney's Office, with the assistance of the Human Resources Department and the Finance Department, conducted an extensive analysis of the alternatives for delivering these services. This analysis concluded that it was less expensive for an outside vendor to deliver the same level of services than if they were provided by City employees.

The City needs to make a policy decision regarding the level of services it will provide to victims of crime in the future. After that decision is made, the alternatives for delivering this determined service level will be analyzed. If the City decides to create new City positions to meet these responsibilities, that decision would need to be made in sufficient time to address the time required to describe and classify the positions, recruit personnel, and hire and train staff.

CHALLENGE 5: Addressing the Office's Lease

In 1993, the City Attorney's Office entered into a 12 year lease for 34,573 square feet of space in the then Lincoln Centre building, the City Attorney's Office current location. The current lease terminates in June, 2005.

Commercial leasing specialists recommend that leasees begin releasing activities 18 months prior to the expiration of their current lease. This time period allows the leasee to evaluate all options, including moving to other space.

As part of this year's budget process, the Office has begun preliminary conversations to determine whether the Office could reduce its rent obligations because of current commercial real estate market conditions. Those conversations are the basis for the rent reduction proposal described in the target budget reduction strategy section.

Key Enterprise Outcome Measures Influenced by the: City Attorney's Office

- 1. Increase participation in restorative justice programs
- 2. Improve Community Court process
- 3. Aggressively prosecute chronic offenders
- 4. Foster cooperation with our criminal justice partners
- 5. Minimize the City's financial exposure through a proactive preventative law practice and through aggressive litigation

Performance Data for Key Enterprise Outcome Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Number of cases in restorative justice programs	157	231	242		
Community Court caseload	165	715	750		
Number of chronic offenders who did not reoffend.	56%	58%	60%		
Innovative system changes with the City's criminal justice partners	Community Court, Violations Bureau, Community Impact Calendar, Domestic Court	Community Court, Violations Bureau, Community Impact Calendar, Domestic Court	Community Court, Violations Bureau, Community Impact Calendar, Domestic Court, CriMNet		
Average time between first appearance and second appearance	14 days	Figures not available from Hennepin County District Court	13 days		
Total liability payments	\$11,571,517	\$2,891,079	\$2,086,378		

Explanation of Performance Data for Key Enterprise Outcome Measures:

The total number of cases participating in restorative justice increased significantly in 2001 because the Office redesigned its internal referral process. Cases are now reviewed daily by a paralegal. The paralegal prepares the case and then gives it to the programs' assigned liaison attorneys for review. The paralegal also conducts a review every morning of all defendants who were arrested overnight. Many of the defendants who are screened as eligible for restorative justice do not appear in court when originally scheduled, but are later arrested on a warrant for non-appearance. This procedural change has allowed the Office to capture for referral those defendants who are arrested on non-appearance warrants. The paralegal then provides the restorative justice program referral information for the in-custody court appearances.

The total number of gross misdemeanor and misdemeanor cases heard in Community Court is projected to be slightly higher in 2002.

The performance measure related to number of targeted chronic offenders who did not reoffend reflects an endof-year snapshot of all targeted chronic offenders and whether they committed a new offense within that year. This measure is important in evaluating the Office's efforts to reduce the "revolving door of justice".

The innovative criminal justice system changes reflect joint efforts by the Office and its criminal justice partners to make systemic reforms. These reforms have allowed the Office to focus its resources on livability offenses.

The projected total liability payments for CY 2002 are nearly \$3 million less than the total amount paid in 1995.

<u>Primary Business: Aggressively prosecute livability crimes that occur in the City</u>

(Service activities and performance measures sorted by business)

<u>Service Activity:</u> Aggressive prosecution of offenders under the City Attorney's Office Jurisdiction.

Description: Aggressive prosecution of livability crime is one prong of the Office's public safety strategy. Both chronic offenders and perpetrators of domestic violence crimes are a priority for the Office. The Special Prosecutions Team focuses on "relentless pursuit" of the 100 worst livability crime offenders in the City. A specialized domestic prosecution team vertically prosecutes domestic violence crimes.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Percentage of chronic offenders identified by the Police Department and the City Attorney's Office that were prosecuted	100%	100%	100%		
Percentage of chronic offenders who did not re-offend	56%	58%	59%		
Average time a case takes from initiation to resolution	18.47 days	19 days	17 days		
Percentage of cases where defendant failed to make appearance (bench warrant issued	15.4%	15%	14.5%		
Percentage of Minneapolis livability offenses heard on the Minneapolis Community Impact Calendar	85%	80%	90%		
Conviction fate at First appearance	28%	37%	42%		

Explanation of Key Performance Measures:

The percentage of chronic offenders identified by the Police Department and The City Attorney's Office that were prosecuted reflects those identified chronic livability crime offenders who receive targeted prosecution by the Office's Special Prosecutions Team. The team maintains a list of approximately 100 offenders that is updated every two weeks based on the most recent offense data. It is important to note that when a chronic offender is sent to jail for a significant period of time, that offender's name is usually removed from the list while he or she is in custody. New offenders names are then added to the list. The performance measure related to number of targeted chronic offenders who did not reoffend reflects an end-of-year snapshot of all targeted chronic offenders and whether they committed a new offense within that year.

The performance measures related to the Minneapolis Community Impact Calendar reflect improvements in case processing resulting in swifter resolution of cases and an increase in convictions at the first appearance. The Minneapolis Community Impact Calendar was initiated in 1999. Thus, it is important to compare 1999 data to data from subsequent years. For example, in 1999 livability crimes were resolved, on average, in 28.62 days. That number was reduced to 18.47 days with the initiation of the Minneapolis Community Impact Calendar. Unfortunately, in 2001, there were court scheduling problems that resulted in non-livability cases being added to the calendar. The inclusion of these cases diluted the effectiveness of the Minneapolis Community Impact Calendar. Thus, in 2001, there was a slight increase in case resolution time from 18.47 days to 19.00 days. Those cases have now been removed from the Minneapolis Community Impact Calendar. Therefore, the Minneapolis Community Impact Calendar should continue to have a positive impact on the resolution of livability crime cases. Other 1999 data reflect the benefits of this calendar. For example, in 1999, the average time between the first and second appearance was 38 days. That number was reduced to 14 days in 2000. Similarly, in 1999, the percentage of cases where a warrant was issued because a defendant failed to appear was 22% and was reduced to 15.4% in 2000 and 15% in 2001.

The Special Prosecutions Team has been successful in persuading the court to impose significant jail time for chronic offenders.

Service Activity: Proactive Involvement in Improving the Criminal Justice System

Description: The second prong of the Office's public safety strategy is proactive involvement in improving the criminal justice system. These systemic changes have helped the Office focus its resources on those livability crimes that threaten the fabric of the City and its neighborhoods. The Office's proactive involvement takes a number of forms, from participation in committees and planning groups to courtroom strategies that deliver results more quickly and improve the ability of the public to observe and understand court proceedings.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Maintain active involvement with the Criminal Justice Coordinating Committee (CJCC)	Attended all CJCC meetings	Attended all CJCC meetings; work related to CriMNet planning	Attend all CJCC meetings; work on CriMNet implementation	Attend all CJCC meetings; con- tinue work on CriMNet implementation; MNCIS	Attend all CJCC meetings; con- tinue work on CriMNet implementation; MNCIS
Participate in partnerships to improve the criminal justice system	Initiated pre- screening of all cases; worked to create "Minnea- polis Community Impact Calendar", which focuses on the prosecution of livability crimes; helped create the Domestic Violence Court	Continued prescreening of all cases; continued participation in the "Minneapolis Impact Calendar" and Community Court and the Domestic Violence Court	Continue prescreening of all cases; continued participation in the "Minneapolis Community Impact Calendar", Community Court, and the Domestic Violence Court.	Continue prescreening of all cases; continue participation in the Minneapolis Community Impact Calendar, Community Court, and Domestic Violence Court; explore reforms related to petty misdemeanors	Continue pre- screening of all cases; continue participation in the Minneapolis Community Impact Calendar, Community Court, and Domestic Violence Court; explore reforms related to petty misdemeanors
Livability crimes where sentence to service was part of the resolution	5.4%	Figures not available from Hennepin County District Court	6.0%		
Number of traffic cases sent to court from Violations Bureau	9,208	6,862	7,186		
Number of City Attorney cases addressed by 3rd Precinct Community Court Calendar	165	715	750		
Percentage of domestic violence cases resulting in a conviction	27.4% (Pre-Domestic Violence Court)	50.8%	52%		

Explanation of Key Performance Measures:

The Office had a lead role in the Criminal Justice Coordinating Committee's chronic offender study. The Chronic Offender study resulted in a demonstration project in the 3rd precinct.

The Office played a key role in the creation of the "Minneapolis Community Impact Calendar", which focuses on the prosecution of livability crimes in all parts of the City. Since the implementation of the Minneapolis Community Impact Calendar, the average time that a case takes from initiation to resolution has been significantly reduced. The Calendar was implemented in 2000. Thus, it is important to compare 1999 data to data from following years. For example, only 1.2% of livability crimes included sentence to service as part of the resolution in 1999. In 2000, that number increased to 5.4% of all livability crimes.

The Office worked with the Hennepin County District Court to facilitate resolution of matters at the Violations Bureau in order to minimize the number of these cases that appear on court calendars. By increasing the number of routine traffic cases resolved at the Violations Bureau, the Minneapolis Community Impact Calendar is able to focus on livability crimes. This change occurred in 2000. Thus, it is important to compare the 2000 and 2001 data to 1999 data. In 1999, the Violations Bureau referred 13,500 moving violations and parking tickets compared to 9,208 in 2000 and 6,208 in 2001, a reduction of over 50%.

The total number of gross misdemeanor and misdemeanor cases heard in Community Court is likely to be higher in 2002. The Office remains committed to Community Court.

The Domestic Violence Court began in November, 2000. This Court allows the Office's Domestic Abuse Team to handle all stages of the prosecution of intimate-partner domestic violence cases. There has been a significant improvement in the conviction rate for domestic violence cases. The conviction data should be evaluated in light of the fact that Minneapolis has a high percentage of cases that are "tab-charged", meaning the case is initiated by the police without any review by a prosecutor. In 2001, 73.6% of all domestic violence cases in Minneapolis were "tab-charged". In the suburbs, that number is 51.8%.

Service Activity: Active Collaboration with Neighborhoods on Community Justice.

Description: The third prong of the Office's public safety strategy is active collaboration with the neighborhoods on community justice. The Office is committed to supporting neighborhood community restorative justice programs. The Office meets regularly with the Central City Neighborhood Restorative Justice Program (CCNP) and the Midtown (formerly Powderhorn) Restorative Justice Program to review issues related to case referral and case processing. These efforts have resulted in both increased numbers of case referrals and expansion of these programs. In July 1, 2002, the Office began a Community Attorney demonstration program in the 4th precinct. The Office anticipates that this demonstration program will increase community involvement with the criminal justice system and better serve community needs.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Number of cases referred to CCNP	35	132	85		
Number of cases referred to the Midtown Restorative Justice Program	122	99	122		
Number of City Attorney cases addressed by 3rd Precinct Community Court Calendar	165	715	750		
Weed and Seed Initiative	Staffed all meetings	Staffed all meetings	Staff all meetings	Staff all meetings	Staff all meetings
Number of cases handled by Community Mediation Program	64	66	N/A	N/A	N/A
4th Precinct Community Attorney Initiative: cases where Community Attorney provides assistance	New indicator	New indicator	300	400	400
Community Meetings attended by 4th Precinct Community Attorney	New indicator	New indicator	41	60	60

Explanation of Key Performance Measures:

Assistant City Attorneys are assigned to the neighborhood restorative justice programs to screen and refer appropriate cases for the individual neighborhood programs. The Office worked extensively with the CCNP and Midtown programs to improve the case referral process and created feedback programs to determine reasons why eligible cases were not referred. The Office also worked with Midtown Restorative Justice Project to broaden the types of cases referred to the program.

The total number of gross misdemeanor and misdemeanor cases heard in Community Court should be higher in 2002. The City Attorney's Office sought to have misdemeanor and gross misdemeanor cases from the Downtown Command included in the Community Court, but the Hennepin County District Court Steering Committee determined that there would be too many cases for the Court to handle if these cases were included.

In 1999, the Office created a Community Mediation Program. This program was developed as a diversion program for certain livability crimes. Sometimes, neighborhood disputes that result in crimes, such as vandalism or disorderly conduct, are better suited to be resolved though a mediation process rather than a criminal trial, which is adversarial and results in a verdict of guilt or innocence rather than resolution of the conflict. The Office's Community Mediation Program was eliminated in the 2002 budget process.

The Community Attorney demonstration project is designed to determine how the City Attorney's Office can become more involved with our community and more effective in communicating with the community on criminal justice matters and to provide more training to the police and improve the quality of their reports.

Primary Business: Provide high quality, cost effective legal services to the City's elected officials, departments and independent boards and commissions.

(Service activities and performance measures sorted by business)

<u>Service Activity:</u> Assist the City in Managing Its Financial Exposure to Claims Brought against the City.

Description: One focus of the Office's Civil Division is to provide proactive legal advice and training to the City's elected officials and staff and to aggressively represent the City in litigation, administrative hearings, and other judicial and quasi-judicial proceedings so that the City's potential liability in these matters is minimized.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Number of adverse matters open at year's end	688	697	650		
Number of adverse matters closed during year	266	390	230		
Total liability resulting from the City's risk generating activities	\$11,571,517	\$2,891,079	\$2,086,378		
Number of employees trained in key liability areas	1,500	3,187	1,380		

Explanation of Key Performance Measures: The liability indicator reflects the Office's philosophy of aggressively litigating cases to minimize the City's liability. The total liability payments for 2002 are projected to be the lowest since 1995. One key component of this indicator is police misconduct cases. In 2001, 29 misconduct cases were filed as compared to 69 cases for the comparable period in 1998. For the period December 1, 2001, through May 31, 2002, 11 police misconduct cases have been filed. All 12 police misconduct cases litigated in 2001 were successfully defended by the City. For the period December 1, 2001, through May 31, 2002, no cases have been litigated. In 2001, the total amount of settlements for police misconduct cases was \$436,996. In comparison, for the comparable period in 1998, the total amount of settlements for these cases was \$1,250,000.

The training indicator measures the number of employees trained in key liability areas.

<u>Service Activity:</u> Provide High Quality Services to the City's Elected Officials, Its Departments and Staff.

Description: The City's elected officials, its departments and staff are the Office's primary clients. Services include oral advice, written opinions, support of the City's procurement activities, and liaison services for the City Council and its committees.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Number of requests received for advice, procurement support or other services	1,467	1,382	1,512	1,663	1,663
Average number of requests for service per attorney	133	126	137	151	151

Explanation of Key Performance Measures: These performance measures are used to manage divisional workload and staff. The Office has entered into service agreements with individual City departments. These

service agreements set out the mutual departmental expectations and obligations so that legal services can be effectively, efficiently and promptly delivered.

In 1999, the Office established a Code Compliance Unit, which is designed to focus legal resources on violations of the Minneapolis City Code. In July 2001, the Tenant Remedies Action Demonstration Project, a major responsibility for this unit, began. That initiative is designed to evaluate whether utilizing the Tenant Remedies Act is a more effective method of addressing certain rental housing code violations. Thus far, the results suggest that it is a highly effective tool.

Similar activities occurred in 2000 regarding the City's fire code. Working with the Fire Prevention Bureau, a Uniform Fire Code Enforcement Plan was developed and adopted by the City Council. This plan establishes the City's regulatory objectives and the criteria for prioritizing Fire Code enforcement actions.

<u>Service Activity:</u> Provide High Quality Legal Services To the City's Independent Boards and Commissions.

Description: The City's independent boards and commissions also are clients of the office. Services include oral advice, written opinions, support of the independent boards and commissions' procurement activities, and liaison services.

Key Performance Measures:

	2000 Actual	2001 Actual	2002 Estimated	2003 Planned	2003 Adopted
Number of requests received for advice, procurement support or other services	166	190	122	134	134
Average number of requests for service per attorney	83	95	61	67	67

Explanation of Key Performance Measures: These performance measures are used to manage divisional workload and staff. Two Assistant City Attorneys are assigned to the Minneapolis Community Development Agency and Assistant City Attorneys provide legal services to the Library Board. Significant legal resources were dedicated to the expansion of the Convention Center and are supporting the construction of the new central library. In addition, the Office provides legal services to the Civil Service Commission, the Civil Rights Commission, the Board of Estimate and Taxation, and the Charter Commission. In 2001 and 2002, the Charter Commission and Redistricting Commission have been advised and represented on the decennial redistricting activities.

Financial Analysis:

The City Attorney 2003 Adopted Budget is 8.10%, or \$740,880, higher than the 2002 Adopted Budget across all funds. Most of the increase is attributable to personnel costs (\$618,953). Health insurance and salary increases make up the larger portions of the increase. The Mayor recommended a target strategy that adds 1.0 FTE to the Civil Division to provide in-house legal services for the MCDA. The Council did not concur with this strategy. The Council instead adopted the target strategy to renegotiate the office lease, with the savings applied toward City Attorney's office for work on traffic enforcement, ethics, development counsel and livability crimes.

The General Fund and Self-Insurance Fund are the main funding sources for the Attorney. The Federal Grants Fund, and Other Grants Fund make up the remaining sources of funding. The 2003 Adopted Budget for the General Fund increased 6.6%, while the Self-Insurance Fund budget increased 12.0%. The only non-personnel expenditure item that increased significantly was the office space lease (\$94,000 increase under the current lease agreements at the Metro Center and with Hennepin County). Federal grant revenues are expected to remain at the same levels as last year, but state grant funding is projected to decrease.

Additional target strategy reductions adopted during 2002 included the elimination of a Managing Attorney in the Criminal Division, a vacant condemnation Attorney, along with a vacant Paralegal in the Civil Division. The Council approved funding the temporary Assistant City Attorney II for the Central Library Project though December 31, 2004 to be billed to the Library Capital Fund. Federal Block Grants have continued to decrease, so a higher proportion of FTEs will be funded through the Self-Insurance Fund for 2003. During 2002, the City Attorney received grant funding for an additional Assistant City Attorney.

The Council approved a decision package for the funding for a Civil Division condemnation attorney and paralegal in 2001. The decision package was funded by a reduction in the outside legal services budget. In 2000, decision packages were adopted to fund the shortfall amounts for Federal Block Grant supported Criminal Division positions (General Fund), and to fund a code compliance Attorney in the Civil Division (Self-Insurance Fund).

Summary of Target Strategies:

The City Attorney's Office proposal for 2003 budget reductions has three components: (1) renegotiate the City Attorney's Office lease (\$86,000 savings), (2) provide all in-house legal services to the Minneapolis Community Development Agency (\$186,000 net City savings), and (3) charge the Library Board for the actual cost of legal services provided by the City Attorney's Office.

The Mayor has recommended the target strategy proposing to provide all in-house services to the MCDA (+1.0 FTE). The Council did not concur with this target strategy. In addition, the Council adopted the motion for the City representatives on the Criminal Justice Coordinating Committee to bring City plans to the attention of Hennepin County. The Council also adopted the motion to waive the procurement policy to allow the City Attorney to proceed without a "Request For Proposal" for renegotiation of the office lease.

Title: Renegotiate Office Lease

Fund # 6900 Agency # 140 Organization # 1440

FundCostRevenuesFTE'sJob Titles/Other related costs6900(\$86,000)Renegotiate Office Lease

Mayor's Recommendation:

The Mayor does not recommend this strategy.

Expense: -\$0- Revenue:

Council Adopted:

The Council recommends this strategy with the savings added back for work on traffic enforcement, ethics, development counsel and livability crimes.

Expense: -\$0- Revenue:

Proposal Description:

The City Attorney's Office leases 34,573 square feet of space in the Metropolitan Centre. The lease expires June, 2005. Because of the current commercial real estate market conditions, it may be possible to reduce significantly the City's lease payments for CYs 2003, 2004, and 2005. These savings could begin as early as January 1, 2003. This portion of the budget reduction strategy proposes renegotiating the City Attorney's Office lease and extending its expiration date to June 30, 2010. Preliminary estimates suggest CY 2003 savings in the range of \$63,960 to \$110,634. \$86,443 is proposed for CY 2003 savings. Additional savings could occur in CY 2004 and CY 2005.

In order to accomplish these savings, it is necessary to begin immediately the negotiation process. This requires the City Council to authorize these negotiations and to decide whether the commercial real estate consultant needed to renegotiate the lease would be selected through a Request for Proposal (RFP) process. If an RFP process is used, it becomes even more critical that the authority to renegotiate the lease be given as soon as possible so that maximum time would be available to accomplish these savings prior to the adoption of the 2003 budget.

Title: Provide In-House Legal Services to MCDA

Fund # 6900 **Agency #** 140 **Organization #** 1440

FundCostRevenuesFTE'sJob Titles/Other related costs6900+\$47,000\$233,000+1.01.0 Paralegal

Mayor's Recommendation:

The Mayor recommends this strategy. These increased revenues decrease the general fund requirements to the Self-Insurance Fund.

Expense: +\$47,000 **Revenue:** \$233,000

Council Adopted:

The Council does not concur with this strategy. The Council reversed this change, funding the Self-Insurance Fund from other sources. This action does not indicate staffing decisions but it is expected that the City Attorney will allocate staff resources according to City Priorities.

Expense: -\$0- Revenue: -\$0-

Proposal Description: Minneapolis Code of Ordinances, Section 422.140 provides: "The City Attorney shall be legal counsel for the agency. The agency may retain its own legal counsel in accordance with administrative procedures approved by the City Council and/or utilize the services of the City Attorney's Office". The MCDA has elected to use the City Attorney's Office only partially for its legal service needs. The MCDA employs 2 assistant development counsels (in addition to the Chief Development Counsel who is in charge of the Legal/Real Estate Department). The CY 2003 salary and benefit cost for the 2 assistant development counsels is \$233,000. The City Attorney's Office proposes to provide all in-house legal services to the MCDA through a combination of 3 existing attorney positions (2 assistant city attorneys are currently assigned to the MCDA) and 1 new paralegal position. A well-trained paralegal could handle certain of the routine activities now handled by an assistant development counsel. Accordingly, this proposal includes the addition of 1 paralegal position to the City Attorney's Office, Civil Division (6900). The current cost for 1 paralegal position is \$47,000. The net savings to the City by this part of the budget proposal is \$186,000.

Describe how the proposal impacts your service activities and performance measures: The proposed 2003 target strategy is consistent with the Office's mission, service activities and performance measures. The proposal to provide all in-house legal services to the Minneapolis Community Development Agency includes minimal staffing. Although economies are anticipated to be achieved in "merging" the two legal services functions, future legal services needs may require revisiting the proposed staffing plan.

Title: Charge Library Board for Legal Services

Fund # 6900 **Agency #** 140 **Organization #** 1440

Fund Cost Revenues FTE's Job Titles/Other related costs

6900 \$18,500

Mayor's Recommendation:

The Mayor does not recommend this strategy.

Expense: Revenue: -\$0-

Council Adopted:

The Council concurs with the Mayor's recommendation.

Expense: Revenue: -\$0-

Proposal Description:

Minneapolis City Charter Chapter 3, Section 7 provides that the City Attorney is the attorney for various boards of the City, including the Minneapolis Library Board. The City Attorney's Office has provided legal services to the Board for years. The Office has not charged the Board for those services. Reviewing the files for 1999, 2000 and 2001, the City Attorney's Office has provided services valued as follows: 1999 - \$14,767; 2000 - \$18,530; 2001 - \$19,699. These figures do not include any costs associated with the new Central Library Project. This part of the City Attorney's Office budget reduction strategy proposes that the Library Board be charged for legal services. This could be accomplished in two ways. The City Attorney's Office could bill, on a monthly basis, the actual cost of the legal services provided in the preceding month. Alternatively, the City and the Library Board could enter into a retainer agreement and agree to pay a monthly fee for all legal services, except for those associated with capital projects and litigation. Of these two options, I recommend that the Library Board be charged the actual costs of the legal services it is receiving. Accordingly, this portion of the budget reduction strategy proposes a \$18,500 increase in revenue from the Library Board. This proposal is based on the range of costs outlined above.

ATTORNEY Expense Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
General Fund - City						
Capital Outlay	0	534	0	0	0.0%	0
Contractual Services	743,198	596,350	816,439	879,455	7.7%	63,016
Equipment	719	1,837	8,322	8,488	2.0%	166
Fringe Benefits	537,034	600,827	625,558	699,795	11.9%	74,237
Operating Costs	171,530	198,951	69,453	71,592	3.1%	2,139
Salaries and Wages	2,627,327	3,234,458	2,835,599	2,983,497	5.2%	147,898
Total for General Fund - City	4,079,808	4,632,957	4,355,371	4,642,827	6.6%	287,456
Internal Service Funds						
Capital Outlay	0	1,633	0	0	0.0%	0
Contractual Services	599,784	678,493	409,970	464,857	13.4%	54,887
Equipment	3,812	12,180	0	0	0.0%	0
Fringe Benefits	544,181	575,575	738,373	876,162	18.7%	137,789
Operating Costs	213,664	200,577	51,832	53,551	3.3%	1,719
Salaries and Wages	2,590,266	2,808,414	3,131,724	3,455,612	10.3%	323,888
Total for Internal Service Funds	3,951,707	4,276,872	4,331,899	4,850,182	12.0%	518,283
Special Revenue Funds						
Contractual Services	0	62	0	0	0.0%	0
Fringe Benefits	100,248	64,939	157,622	172,823	9.6%	15,201
Salaries and Wages	498,349	411,605	307,237	227,177	-26.1%	-80,060
Total for Special Revenue Funds	598,598	476,606	464,859	400,000	-14.0%	-64,859
Total for ATTORNEY	8,630,113	9,386,436	9,152,129	9,893,009	8.1%	740,880

City of Minneapolis 2003 Adopted Budget

ATTORNEY Revenue Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
General Fund - City						
Charges for Service	29,580	18,189	20,000	10,000	-50.0%	-10,000
Total for General Fund - City	29,580	18,189	20,000	10,000	-50.0%	-10,000
Internal Service Funds						
Charges for Service	227,333	261,325	300,000	445,968	48.7%	145,968
Other Misc Revenues	0	1,882	0	0	0.0%	0
Total for Internal Service Funds	227,333	263,207	300,000	445,968	48.7%	145,968
Special Revenue Funds						
Federal Government	0	123,898	325,000	325,000	0.0%	0
State Government	289,481	53,675	138,000	75,000	-45.7%	-63,000
Total for Special Revenue Funds	289,481	177,572	463,000	400,000	-13.6%	-63,000
Total for ATTORNEY	546,393	458,969	783,000	855,968	9.3%	72,968

ATTORNEY Business Line Expense Information

	2000 Actual	2001 Actual	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
ATTORNEY						
General Fund - City						
Salaries and Wages	0	0	-96,000	0	-100.0%	96,000
Total for General Fund - City	0	0	-96,000	0	-100.0%	96,000
Internal Service Funds						
Fringe Benefits	0	0	0	0	0.0%	0
Total for Internal Service Funds	0	0	0	0		0
Total for ATTORNEY	0	0	-96,000	0	-100.0%	96,000
CIVIL DIVISION						
Internal Service Funds						
Capital Outlay	0	1,633	0	0		0
Contractual Services	599,784	678,493	409,970	464,857		54,887
Equipment	3,812	12,180	0	0	0.0%	0
Fringe Benefits	544,181	575,575	738,373	876,162	18.7%	137,789
Operating Costs	213,664	200,577	51,832	53,551	3.3%	1,719
Salaries and Wages	2,590,266	2,808,414	3,131,724	3,455,612	10.3%	323,888
Total for Internal Service Funds	3,951,707	4,276,872	4,331,899	4,850,182	12.0%	518,283
Total for CIVIL DIVISION	3,951,707	4,276,872	4,331,899	4,850,182	12.0%	518,283
CRIMINAL DIVISION						
General Fund - City						
Capital Outlay	0	534	0	0		0
Contractual Services	743,198	596,350	816,439	879,455		63,016
Equipment	719	1,837	8,322	8,488		166
Fringe Benefits	537,034	600,827	625,558	699,795		74,237
Operating Costs	171,530	198,951	69,453	71,592		2,139
Salaries and Wages	2,627,327	3,234,458	2,931,599	2,983,497	1.8%	51,898
Total for General Fund - City	4,079,808	4,632,957	4,451,371	4,642,827	4.3%	191,456
Special Revenue Funds	-	22	•	-	2 22	-
Contractual Services	0	62	0	0		0
Fringe Benefits	100,248	64,939	157,622	172,823		15,201
Salaries and Wages	498,349	411,605	307,237	227,177		-80,060
Total for Special Revenue Funds	598,598	476,606	464,859	400,000	-14.0%	-64,859
Total for CRIMINAL DIVISION	4,678,406	5,109,564	4,916,230	5,042,827	2.6%	126,597
Total for ATTORNEY	8,630,113	9,386,436	9,152,129	9,893,009	8.1%	740,880

City of Minneapolis 2003 Adopted Budget

ATTORNEY Staffing Information

	2000	2001	2002 Adopted Budget	2003 Adopted Budget	% Change 2002 to 2003	Change 2002 to 2003
FTE's by Division						_
Criminal	61.83	65.83	63.83	60.96	-4.50%	(2.87)
Civil	43.67	47.67	47.67	49.67	4.20%	2.00
Total FTE's	105.50	113.50	111.50	110.63	-0.78%	(0.87)

City of Minneapolis 2003 Adopted Budget